

**MINUTES
ALABAMA REAL ESTATE APPRAISERS BOARD
RSA UNION STREET
SUITE 370
MONTGOMERY, ALABAMA
JULY 30, 2004**

MEMBERS PRESENT:

Mr. Mandell Tillman
Mr. Clifford Odom
Mr. James Davis
Mr. Jon B. Blissitte
Mr. Otis Stewart, Jr.
Mr. Leston Stallworth
Mr. Steve Martin
Mr. Wilder H. Cheney (left at 10:25 a.m.)
Mrs. Myra Pruitt

OTHERS PRESENT:

Mr. J.W. Holland, Jr.
Mrs. Lisa Brooks
Ms. Neva Conway

GUESTS PRESENT:

Mr. David Ogden
Mrs. Tara Knee

- 1.0 With quorum present Mr. Tillman, Chairman called the meeting to order at 8:10 a.m. The meeting was held at the RSA Union Building, 100 N. Union Street, 3rd. Floor Conference Room, Montgomery, Alabama.
- 1.1 The meeting was opened with prayer by Mr. Cheney and then the Pledge of Allegiance.
- 2.0 Members present were Mr. Mandell Tillman, Mr. James Davis, Mr. Clifford Odom, Mr. Jon B. Blissitte, Mr. Otis Stewart, Jr., Mr. Leston Stallworth, Mr. Steve Martin, Mr. Wilder H. Cheney and Mrs. Myra Pruitt.
- 3.0 On motion by Mr. Cheney and second by Mr. Blissitte the regular minutes for May 21, 2004 were approved as written. Motion carried by unanimous vote.
- 3.2 Mrs. Conway asked the Board to go into Executive Session to discuss the recommendations of the Administrative Law Judge on the Jimmy Walker disciplinary case.

At 8:12 a.m. on motion by Mr. Martin and second by Mr. Davis the Board voted to go into Executive Session to discuss the good name and character of Mr. Jimmy Walker. Motion carried by unanimous vote.

At 8:40 a.m. the Board re-entered Regular Session to ask a questions of the attorneys on the Walker case.

At 8:42 on motion by Mr. Martin and second by Mr. Davis the Board again voted to go into Executive Session to discuss the good name and character of Mr. Walker. Motion carried by unanimous vote.

At 8:46 a.m. the Board re-entered Regular Session.

On motion by Mr. Martin and second by Mrs. Pruit the Board voted to adopt the Findings of Fact and Conclusion of Law as stated by the Administrative Law Judge. Motion carried by unanimous vote.

On motion by Mr. Cheney and second by Mr. Stallworth the Board voted to issue a Private Reprimand instead of a Public and adopted the remaining recommendations. With Mr. Stewart opposing the motion carries.

Ms. Conway asked the Board to review Formal Complaint AB-03-70 to determine if this should be heard before the Board or an Administrative Law Judge. On motion by Mr. Martin and second by Mr. Odom the Board voted to allow the case to be heard before the Administrative Law Judge if the licensee approves. Motion carried by unanimous vote.

4.0 Ms. Conway informed the Board there was nothing new Legislative to report. She did remind the Board the changes made in our Bill are in effect as of August 1, 2004.

5.0 On motion by Mr. Martin and second by Mr. Odom the following applications were voted on as listed. Motion carried by unanimous vote.

5.1 **Trainee Real Property Appraiser applications approved:** Avery P. Beall, III (Recip.)(GA), Alan V. Bennett, James W. Black, Thomas M. Carew, Paula Carpenter, Donna K. Elegante, John M. Eslava, Marcus H. Estes, Matthew P. Ford, Jerry E. Forrest, Michael W. Freeman, Karen L. Gravitt, Vicki S. Gulsby, Darby C. Hale, Bobby S. Hardin, Crystal L. Hiatt, Rolanda M. Jenkins, William D. Jones, John W. Kidd, Jr., Rachel K. King (Misdemeanor), Van J. McCall, Henry D. McVey, Jr. (Recip.)(GA), Michael B. Mickens, Barbara W. Mitchell (Old Felony), Henry C. Morgan, Cory N. Palmer, Mark A. Palmer, Susan L. Rice, Charles M. Roberts (Misdemeanor), Sharon G. Roberts (Misdemeanor), Donna K. Skavland (Misdemeanor), Stephen C. Smith, Jennifer R. Thomas, Stephen R. Tomlinson, Joseph C. Wise (Misdemeanor), Robert B. Wombwell.

5.2 **State Registered Real Property Appraiser applications approved:** David V. Bussell, Janet L. Forester, Thomas J. Hoffman, Laura Life (Recip.)(AR), Linda W. Marx. **Application deferred:** Jack D. Couch.

5.3 **Licensed Real Property Appraiser applications approved:** Scott A. Austin, Michael T. Brown (Recip.)(GA), George A. Green (Recip.)(GA),

Robert T. Harley, George R. Hocutt, Alvin E. Holmes, Paul D. Hughey, Pamela M. Johnson (Recip.)(GA), David Ogden. **Applications deferred:** Donald S. Armstrong, Darrell S. Willeford.

5.4 **Certified Residential Real Property Appraiser applications approved:** Oscar C. Bostick, George H. Satterfield (Recip.)(GA). **Applications deferred:** Kenneth E. Carroll, Jr., Bradley E. Pullum, Joshua M. Smith. **Application denied:** William W. Brown.

5.5 **Certified General Real Property Appraiser applications approved:** John W. Cherry, Jr. (Recip.)(GA), Kyle M. Waites, Jr. (Recip.)(GA). **Applications deferred:** Jesse E. Clanton, Roland N. Coan, Frank E. Lindstrom, III.

6.0 Mr. Holland gave the financial report informing the Board that we were 75% into FY 04 and 64% into budget expenditures. Board member compensation for the remainder of the fiscal year can be absorbed and is budgeted for in the new fiscal year beginning October 1, 2004. Mr. Holland informed the Board there were no negative trends, which could not be reconciled at this time. On motion by Mrs. Pruitt and second by Mr. Cheney the Board voted to accept the financial report as read. Motion carried by unanimous vote.

6.1 On motion by Mr. Cheney and second by Mr. Odom the following education courses and instructor recommendations were approved, deferred or denied as indicated:

APPRAISAL EDUCATORS, INC.

Initial Application(s):

(LIC) Course 105: USPAP – 15 Hours

(Instructor: Robert Sneed)

Both Course and Instructor Approved

(CE) Course 105A: National USPAP Update – 2004 – 7 Hours

(Instructor: Robert Sneed)

Both Course and Instructor Approved

(CE) Course 201: Financial Analysis of Income Properties – 15 Hours

(Instructors: Robert Sneed, Dennis Greene)

Both Course and Instructor Approved

APPRAISAL INSTITUTE – ALABAMA CHAPTER

Initial Application(s):

(CE) Partial Interest – Divided – 7 Hours

(Instructor: Diane M. Gilbert)

Both Course and Instructor Approved

APPRAISAL INSTITUTE – CHICAGO

Initial Application(s):

(CE) On-line Course 400: 7-Hour National USPAP Update – 7 Hours
(Instructor: Craig Harrington)

Both Course and Instructor Approved

(CE) On-line Course 420: Business Practices & Ethics – 8 Hours
(Instructor: J. Carl Schultz)

Both Course and Instructor Approved

(CE) On-line Course Appraising Manufactured Housing
(Instructor: Richard Heyn)

Both Course and Instructor Approved

CAREER WEBSCHOOL

Initial Application(s):

(LIC) On-line course An FHA Single Family Appraisal – 15 Hours
Course Denied

(CE) On-line course An FHA Single Family Appraisal – 14 hours
(Instructor: “Bud” Black)

Course and Instructor Approved

DEARBORN REAL ESTATE EDUCATION d/b/a R.Ecampus.com

Initial Application:

(LIC) “Distance Education” Mastering Real Estate Appraisal – 75 hours
Course Denied

NAIFA, NATIONAL ASSOCIATION OF FEE APPRAISERS

Initial Application:

Dennis Greene: Instructor seeking approval to teach previously approved
C.E. courses:

11.8a Calculating Gross Living Area using ANSI Standards

99.1 Fraud, Flip & the FBI

13.0 Alabama Law

Instructor Dennis Greene Approved

NAMA, NATIONAL ASSOCIATION OF MASTER APPRAISERS

Initial Application:

(LIC) #635 Highest & Best Use – 15 Hours
(Instructor: Richard S. Thomas, Sr.)

Course and Instructor Approved

Bobby Crisp: Instructor seeking approval to teach previously approved
C.E. courses:

#627 Principles of Real Estate Appraisal
#636 Practice of Real Estate Appraisal
#772 National USPAP Course
Instructor Bobby Crisp Approved

Weeks Bay Reserve, AL DEPT. OF CONSERVATION & Natural Resources: BALDWIN COUNTY ASSN. of REALTORS®; Coastal Training Program WEEKS BAY NATL. ESTUARINE RESEARCH RESERVE

Initial Application:

(CE) Wetlands & REALTORS® Workshop; Making Informed Decisions & Providing Educated Advice about Wetlands in Real Estate – 3 Hours
(Instructors: Gena Todia, Cindy House-Pearson, Neil Johnston)

Both Course and Instructors Approved

6.2

The Board reviewed the following disciplinary reports:

AB-03-43: On May 10, 2004 Karen Burke, (R00412) a Certified Residential Real Property Appraiser signed a Consent Settlement Order in connection with the appraisal of a residential property. The terms include that Ms. Burke receive a Public Reprimand, pay an administrative fine of \$350 and successfully complete a Board approved 7-hour course (minimum) on measurement of residential properties. The USPAP violations are identified as follows: The GLA of the subject property was overstated by approximately 60%. Licensee failed to consider the angles in the GLA computation, which caused the error. This substantial error significantly affected the development of the appraisal and resulted in a misleading report. Licensee also failed to maintain a true and correct copy of the report. The following standards and statutes were violated: Ethics Rule-Record Keeping; Competency Rule, Standards 1-1(a); 1-1(b); 1-1(c); USPAP, 1999 Ed.; §34-27A-20(a)(6), §34-27A-20(a)(7); §34-27A-20(a)(14), Code of Alabama, 1975.

AB-04-07: On May 21, 2004, A Letter of Warning was issued to a Certified Residential Real Property Appraiser in connection with the appraisal of a residential property in which he or she signed as the supervisor of a Trainee Real Property Appraiser. The USPAP violations include: Licensee made errors in reporting the physical characteristic of the subject and the comparable sales made adjustments to comparable sales based upon the erroneous data. The errors did not significantly affect the final outcome of the appraisal. The following standards and statutes were violated: 1-1(a), 1-1(b), 1-1(c), 1-4(a), USPAP, 2004 Ed.

AB-04-08: On May 21, 2004, A Letter of Warning was issued to a Trainee Real Property Appraiser in connection with the appraisal of a residential property in which he or she signed as the primary appraiser. The USPAP violations include: Licensee made errors in reporting the physical characteristics of the subject and the comparable sales made adjustments to comparable sales based upon the erroneous data. The

errors did not significantly affect the final outcome of the appraisal. The following standards and statutes were violated: 1-1(a), 1-1(b), 1-1(c), 1-4(a), USPAP, 2004 Ed.

AB-04-32: On May 21, 2004, A Letter of Warning was issued to a Certified Residential Real Property Appraiser in connection with the appraisal of a residential property in which he or she signed as the primary appraiser. The USPAP violations include: Licensee used a “presale package” as a comparable sale. The transaction did not meet the definition of “sale” set out in the report since there was no exposure to the market. Time adjustments were inconsistent for comparable sales, which occurred, in the same month. The following standards and statutes were violated: 1-1(a), 1-4(a), USPAP, 2004 Ed.

Mr. Holland discussed with the Board the Investigative status charts and noted we have 69 open complaint cases on hand. The Board suggested that while we are short on investigators it would be a good time to concentrate on moving cases in due process.

On motion by Mr. Stallworth and second by Mr. Martin the Board voted that Ms. Conway has the authority to set all Public Reprimands for a hearing before the Administrative Law Judge if licensees approve. Motion carried by unanimous vote.

- 6.2.1 The Board reviewed Probable Cause Summary **AB-03-91; AB-03-101; AB-04-22:** On motion by Mr. Odom and second by Mr. Davis the Board voted that probable cause did exist. Motion carried by unanimous vote. On motion by Mr. Blissitte and second by Mr. Martin the Board voted to set hearing before assembled Board. Motion carried by unanimous vote.

The Board reviewed Probable Cause Summary **AB-04-50:** On motion by Mr. Davis and second by Mrs. Pruit the Board voted that probable cause did exist. Motion carried by unanimous vote. On motion by Mr. Stallworth and second by Mr. Stewart the Board voted to set hearing before assembled Board. Motion carried by unanimous vote.

The Board reviewed Probable Cause Summary **AB-04-53:** On motion by Mr. Martin and second by Mrs. Pruit the Board voted to open investigation. Motion carried by unanimous vote. On motion by Mr. Martin and second by Mrs. Pruit the Board voted that probable cause did exist. Motion carried by unanimous vote. On motion by Mr. Martin and second by Mrs. Pruit the Board voted to set hearing before assembled Board. Motion carried by unanimous vote.

- 6.2.2 The Board reviewed the anonymous complaint included in their books. On motion by Mr. Odom and second by Mr. Stallworth the Board voted to open investigation. Motion carried by unanimous vote.

- 6.2.3 The Board reviewed Consent Settlement Order AB-02-06, AB-02-33. On motion by Mr. Martin and second by Mr. Odom the Board voted to accept as written. Motion carried by unanimous vote.

The Board reviewed Voluntary Surrender Consent Order AB-03-12, AB-03-28. On motion by Mr. Martin and second by Mr. Odom the Board voted to accept as written. Motion carried by unanimous vote.

The Board reviewed Consent Settlement Order AB-03-76. On motion by Mr. Davis and second by Mr. Blissitte the Board voted to accept as written. Motion carried by unanimous vote.

The Board reviewed Letter of Warning on AB-04-07. On motion by Mr. Martin and second by Mr. Davis the Board voted to accept as written. Motion carried by unanimous vote.

The Board reviewed Letter of Warning on AB-04-08. On motion by Mr. Stallworth and second by Mrs. Pruit the Board voted to accept as written. Motion carried by unanimous vote.

The Board reviewed Letter of Warnings on AB-04-20 and AB-04-21. On motion by Mr. Martin and second by Mrs. Pruit the Board voted to accept as written. Motion carried by unanimous vote.

The Board reviewed Letter of Warning on AB-04-31. On motion by Mr. Stallworth and second by Mr. Davis the Board voted to accept as written. Motion carried by unanimous vote.

6.3 No reciprocal agreements to report since last meeting. We have written to the Florida Board proposing a reciprocal agreement.

6.4 The following reciprocal licenses were issued since last Board meeting: Avery P. Beall, III (T)(GA), Michael T. Brown (L)(GA), John W. Cherry, Jr. (G)(GA), George A. Green (L)(GA), Pamela M. Johnson (L)(GA), Laura Life (S)(AR), Henry D. McVey, Jr. (T)(GA), Richard H. Satterfield (G)(GA), Kyle M. Waites, Jr. (G)(GA).

7.0 The temporary permit report was provided to the Board for their information.

8.0 Mr. Holland included Mr. Hollyfield's and Mrs. Bentley's resignation letters in the Board books. Mr. Holland informed the Board that Mr. Hollyfield transferred to the Banking Dept. and Mrs. Bentley transferred to DOT. Mr. Holland stated to the Board that it was his intention to only hire one investigator at this time to determine if the caseload was manageable with two investigators. He also asked the Board Members to let him know if they knew of anyone who might be interested in the investigator position.

Mr. Holland included in the Board books a copy of the re-appointment of Mr. Otis Stewart, Jr. and the new appointment of Mr. Thomas E. Garrett to the 5th. Congressional District to replace Mr. Cheney. Mr. Holland stated that Mr. Garrett would not be official until he is confirmed by the Legislature.

Mr. Holland informed the Board that Ms. Jenny Tidwell with the Appraisal Subcommittee would be conducting our review on November 18, 2004 and attend our Board meeting on November 19, 2004.

Mr. Holland informed the Board that our License and Education renewals would start in August and we are offering the USPAP books for \$10 per copy. Mr. Holland also informed the Board that this year we are asking for e-mail addresses on renewal forms.

Mr. Holland included a copy of the ANSI publication reprint policy for Board information. He also informed the Board we have asked Printing and Publications for a quote for copying. He stated we would provide the publication to licensees at \$5 per copy.

Mr. Holland reminded the Board that we had our first Trainee Orientation on July 15, 2004 with 60 Trainees attending. He said he felt it went very well and commended the staff and Board members involved. He informed the Board that the next Orientation would be on August 17, 2004 at the Alabama Power Company in Birmingham.

Mr. Holland asked the Board to fill out the Board Compensation forms included in their books and return to Lisa. These forms will have to be submitted to the Comptrollers Office in order for them to receive compensation starting in August 2004.

Mr. Holland included in the Board books copies of the latest correspondence from Ms. Judith Haney for their information.

**Reconsideration Hearing – 11:00 a.m.
Ricky D. Church – R applying for G**

At 11:39 a.m. on motion by Mr. Stallworth and second by Mr. Odom the Board voted to go into Executive Session to discuss good name and character. Motion carried by unanimous vote.

At 11:47 the Board returned to Regular Session.

On motion by Mr. Tillman and second by Mr. Stallworth the Board voted to defer Mr. Church's application for Certified General Real Property Appraiser for three months. At the end of the three months Mr. Church will send in additional non-residential work product for Board review. Motion carried by unanimous vote.

**Reconsideration Hearing – 11:50 a.m.
Jason Cory – Applied for T**

At 11:59 a.m. on motion by Mr. Davis and second by Mrs. Pruit the Board voted to go into Executive Session to discuss good name and character. Motion carried by unanimous vote.

At 12:00 noon the Board returned to Regular Session.

On motion by Mr. Martin and second by Mr. Stewart the Board voted to approve. Motion carried by unanimous vote.

The Board will discuss taking the Board meetings to different districts at the next meeting.

9.0 Meeting adjourned at 12:05 p.m.

Sincerely,

Lisa Brooks
Executive Secretary

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APPROVED: _____
Mandell Tillman, Chairman